

**COUNTY OF SAN DIEGO
RECORDS MANAGEMENT PROGRAM
INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
December 22, 2010**

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To The County of San Diego
Auditor and Controller, Audits Division
San Diego, California

We have performed the procedures enumerated in this report, which were agreed to by the County of San Diego, Auditor and Controller, Audits Division (County), solely to assist the users in evaluating the County's compliance with its records management program as of December 22, 2010. The County is responsible for the records evaluated in conjunction with the procedures performed.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We agreed to perform the following procedures and report our findings accordingly:

- I. Test, on a sample basis, compliance with the actual retention of items listed on the Departmental Record Retention Schedules.
- II. Test, on a sample basis, compliance with the actual retention of items listed on the County Global Retention Schedule.
- III. For those departments that have a Records Management Plan, ensure it is current and being followed.
- IV. For those departments that do not have a Record Management Plan, identify how they:
 - Communicate records management information throughout the department;
 - Track and handle active and inactive paper records;
 - Store and retrieve paper records;
 - Track and review electronic records; and
 - Authorize the destruction of records (paper or electronic)
- V. Determine if departments are following proper records destruction procedures, including legal holds.

The findings resulting from our agreed-upon procedures are described in the Exhibit section of this report.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the County's records management program. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the County of San Diego, Auditor and Controller, Audits Division and is not intended to be and should not be used by anyone other than this specified party.

KNL Support Services
Los Angeles, California
December 22, 2010

**COUNTY OF SAN DIEGO
RECORDS MANAGEMENT PROGRAM
AGREED-UPON PROCEDURES
EXHIBIT**

PROCEDURES FOR ENGAGEMENT OF REVIEW

We visited the fourteen (14) County Departments: Office of County Counsel, Treasurer/Tax Collector, County Technology Office, Child Support Services, Office of Emergency Services, Probation Department, General Services, Purchasing and Contracting, Registrar of Voters, Aging and Independent Services, Human Resources, Public Health, Planning and Land Use, and Public Works to conduct the agreed upon procedures as follows:

Procedure I

We selected a minimum of two (2) record types at each location and determined the department's compliance with the retention criteria established under the approved Departmental Record Retention Schedule.

Procedure II

We selected a minimum of one (1) record type at each location and determined the department's compliance with the retention criteria established under the approved County's Global Records Retention Schedule.

Procedure III

At locations with approved Record Management Plans, we (i) interviewed department managers, records management coordinators and other staff responsible for records retention; and (ii) analyzed records management practices and procedures to ensure the plan was current and was being followed.

Procedure IV

At locations that did not have record management plans, we (i) interviewed department managers, records coordinators and other staff responsible for records retention, and (ii) analyzed relevant records management documentation, to identify and determine the department's efforts in the following areas:

- (a) Communicating records management information throughout the department;
- (b) Tracking and handling active and inactive paper records;
- (c) Storing and retrieving paper records;
- (d) Tracking and reviewing electronic records; and
- (e) Authorizing the destruction of records (paper and electronic).

Procedure V

We interviewed department managers, records coordinators and other staff responsible for destroying records and handling legal holds. We also reviewed copies of the Applications for Destruction of Records (AUD 100-1s) and related documents, retained by each department.

The report is addressed on an exception basis; therefore, we have detailed only the reportable issues identified at each of the locations visited for the procedure under review. Accordingly, procedures not mentioned in the Findings and Recommendations section are considered to be in compliance with the applicable criteria.

Findings were enumerated by each engagement procedure conducted as previously stated. The description of each procedure will not be repeated in the body of the report.

1. Finance and General Government Group (FG3)

a. Office of County Counsel

Procedure I

We selected the “Outside Counsel Payments” and “Consultant/Expert Payments” records for testing and noted no exception.

Procedure II

We selected “Mileage Reports” records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

The Department is following the destruction process as outlined on the guidance for “How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process” with the exception of Paragraph No. 12 notifying P&C’s Records Services when an on-site destruction takes place. The Department should be forwarding proof of destruction of official records for those records stored at a County facility. The “On-Site Destruction Confirmation Form” is available on the County Intranet, under P&C’s Records Services.

We recommend the Department’s Records Coordinator alert staff of the requirement and begin submitting the “On-Site Destruction Confirmation Form” to P&C’s Records Services. The Department’s Records Coordinator concurs with the auditor’s findings and will implement the proposed corrective action by March 31, 2011.

b. Treasurer/Tax Collector

Procedure I

We selected the following records for testing:

1. Bonds – Bond Transcripts – no exceptions
2. Investments: Portfolio

The “Investments: Portfolio” records are maintained for the total time period required by the Department Retention Schedule; however, the schedule states the records stay on-site for ten (10) years. The Department’s current practice is to send these records off site due to lack of storage space.

We recommend the Department's Records Coordinator work with P&C's Records Services to update the Department Retention Schedule to current practice. The Department's Records Coordinator concurs with the auditor's findings and estimates the proposed corrective action will be completed by March 31, 2011.

Procedure II

We selected the "Correspondence (Signed)" records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

The Department is following the destruction process as outlined on the guidance for "How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process" with the exception of Paragraph No. 12 notifying P&C's Records Services when an on-site destruction takes place. The Department should be forwarding proof of destruction of official records for those records stored at a County facility. The "On-Site Destruction Confirmation Form" is available on the County Intranet, under P&C's Records Services.

We recommend the Department's Records Coordinator alert staff of the requirement and begin submitting the "On-Site Destruction Confirmation Form" to P&C's Records Services. The Department's Records Coordinator concurs with the auditor's findings and will implement the proposed corrective action by March 31, 2011.

c. County Technology Office

Procedure I

All records maintained by the Department are subject to the Global Retention Schedule; therefore, we did not test this procedure.

Procedure II

We selected the following records for testing:

1. Correspondence (Signed) – no exceptions
2. Budgets – no exceptions
3. In County/Out of County Travel

The Department is not complying with the Global Retention Schedule for "In-County/Out of County Travel" records. The Global Retention Schedule calls for seven (7) years retention. However, the Department maintained the records for only three (3) years. The Department's Records Coordinator indicated that the Department will comply with the Global Retention Schedule and will begin retaining the records for the prescribed seven (7) years.

We recommend the Department implement the proposed corrective action and adopt the seven (7) year retention schedule for this record series. We also recommend any proposed corrective actions be coordinated with P&C's Records Services. The Department's Records Coordinator concurs and expects to complete the proposed corrective action by the end of the first quarter, calendar year 2011.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

The Department is following the destruction process as outlined on the guidance for "How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process" with the exception of Paragraph No. 12 notifying P&C's Records Services when an on-site destruction takes place. The Department should be forwarding proof of destruction of official records for those records stored at a County facility. The "On-Site Destruction Confirmation Form" is available on the County Intranet, under P&C's Records Services.

We recommend the Department's Records Coordinator alert staff of the requirement and begin submitting the "On-Site Destruction Confirmation Form" to P&C's Records Services. The Department's Records Coordinator concurs with the auditor's findings and will implement the proposed corrective action by March 31, 2011.

2. Public Safety Group (PSG)

a. Child Support Services

Procedure I

We selected the following records for testing:

1. Deposit Documentation – no exceptions
2. Child Support Memorandum of Agreements

The "Child Support Memorandum of Agreements" records were not maintained in compliance with the Departmental Retention Schedule. The retention code, 52M=P52M, established for the Child Support Memorandum of Agreements, implies that the records in this series will be stored on-site for a total of 52 months. However, the Department currently retains the records indefinitely because the historical budgetary data contained in the records is frequently needed for conducting analyses and responding to inquiries from other divisions. In response to the condition, the Department's Records Coordinator is proposing to modify the Departmental Retention Schedule by changing the retention code from 52M=P52M to 999=P999, thus enabling permanent on-site retention.

We recommend the Department implement the proposed corrective action to modify the Departmental Retention Schedule. We also recommend any proposed corrective actions be coordinated with P&C's Records Services. The Department's Records Coordinator concurs but could not estimate, as of this report date, a timeframe for completing the proposed corrective action.

Procedure II

We selected the "Correspondence" records for testing and found that the records were not retained in compliance with the Global Retention Schedule. The Department's executive secretary, responsible for the correspondence records, was keeping correspondence records indefinitely and not the prescribed three (3) years. The executive secretary indicated that she had not been informed of the retention policy nor destruction procedures.

We recommend the Department train its personnel on the records management requirements in order to ensure that (i) the retention schedule for each record type is observed and (ii) AUD 100-1 destruction procedures are observed. The Department's Records Coordinator concurs and expects to complete the proposed corrective action by the end of the first quarter of Calendar Year 2011.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

The Department is only partially following the destruction process as outlined on the guidance for "How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process". The Department is not completing the AUD100-1 form and getting permission from the Auditor to destroy official records maintained on-site. Further, the Department is not notifying P&C's Records Services when an on-site destruction takes place. The Department should immediately start using the AUD100-1 for all official records regardless of location or format and forwarding proof of destruction of official records for those records stored at a County facility. The "On-Site Destruction Confirmation Form" is available on the County Intranet under P&C's Records Services.

We recommend the Department's Records Coordinator alert staff responsible for records of the AUD100 requirements for all official records and begin submitting the "On-Site Destruction Confirmation Form" to P&C's Records Services. The Department's Records Coordinator concurs with the auditor's findings and will implement the proposed corrective action by March 31, 2011.

b. Office of Emergency Services

Procedure I

We selected the following records for testing:

1. Correspondence (Departmental) – no exceptions
2. Emergency Service Plans

The “Emergency Service Plans” records were not maintained in compliance with the Departmental Retention Schedule. The retention code, 10=P10, established for the Emergency Service Plans, implies that records in this series will be stored a total of ten (10) years on-site. However, the Department currently retains the records indefinitely because they are frequently used for research purposes by public and private groups. In response to the condition, the Department's Records Coordinator is proposing to modify the Departmental Retention Schedule by changing the retention code from 10=P10 to 999=P999, thus enabling permanent on-site retention.

We recommend the Department implement the proposed corrective action to modify the Departmental Retention Schedule. We also recommend any proposed corrective action be coordinated with P&C's Records Services. The Department's Record Coordinator concurs and expects to complete the proposed corrective action by the end of the third quarter of Fiscal Year 2011.

Procedure II

We selected the “Grant Documentation” records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We noted no exception to the procedure.

c. Probation Department

Procedure I

We selected the following records for testing:

1. Probation Accounts Receivable – no exceptions
2. Standards and Training for Corrections

The “Standards and Training for Corrections” records were not maintained in compliance with the Departmental Retention Schedule. The retention code, 4=P4, established for this record type, implies that the records will be stored a total of four (4) years on-site. However, the Department currently retains the records for ten (10) years, four (4) on-site and six (6) off-site at Iron Mountain, reflecting the Department's longer need for the records. The Department's Records Coordinator proposes to modify the Departmental Retention Schedule by changing the retention code from 4=P4 to 10=P4+P6, to correct the inconsistency.

We recommend the Department implement the proposed corrective action to modify the Departmental Retention Schedule. We also recommend any proposed corrective actions be coordinated with P&C's Records Services. The Department's Records Coordinator concurs and expects to complete the proposed corrective action by the end of the third quarter of Fiscal Year 2011.

Procedure II

We selected the "Correspondence (Signed)" records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We identified two unsatisfactory conditions related to the destruction of records:

1st Condition: The correspondence files are retained in the Department's share drive for the prescribed retention period; however, the "Application for Destruction of Records" is not submitted to the Auditor & Controller for approval to destroy the files. AUD 100-1 guidance requires that the AUD 100-1 Form be "...used for authorization to destroy original records which are outlined in a retention schedule: Global or Departmental."

2nd Condition: The Department is following the destruction process as outlined on the guidance for "How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process" with the exception of Paragraph No. 12 notifying Records Services when an on-site destruction takes place. The Department should be forwarding proof of destruction of official records for those records stored at a County facility. The "On-Site Destruction Confirmation Form" is available on the County Intranet, under P&C's Records Services.

We recommend the Department's Records Coordinator alert staff of the requirement and begin submitting the "On-Site Destruction Confirmation Form" to P&C's Records Services. The Department's Records Coordinator concurs with the auditor's findings and will implement the proposed corrective action by March 31, 2011.

3. Community Services Group (CSG)

a. General Services

Procedure I

We selected the following records for testing:

1. Utility Bills & Records – no exceptions
2. Real Property Statistical Reports

The Department's Retention Schedule for the "Real Property Statistical Reports" records are listed as paper files; however, the Department maintains these records in digital format. The Department will work with P&C's Records Services in revising the Department Retention Schedule to reflect current practice.

The Department's Records Coordinator concurs with the auditor's findings and expects to implement the proposed corrective action by March 31, 2011.

Procedure II

We selected the "Correspondence (Signed)" records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We identified two unsatisfactory conditions related to the destruction of records:

1st Condition: The correspondence files are retained in the Department's share drive for the prescribed retention period; however, the "Application for Destruction of Records" form is not being completed and submitted to the Auditor & Controller for approval to destroy the files. AUD 100-1 guidance requires that the AUD 100-1 Form be "...used for authorization to destroy original records which are outlined in a retention schedule: Global or Departmental."

2nd Condition: The Department is following the destruction process as outlined on the guidance for "How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process" with the exception of Paragraph No. 12 notifying P&C's Records Services when an on-site destruction takes place. The Department should be forwarding proof of destruction of official records for those records stored at a County facility. The "On-Site Destruction Confirmation Form" is available on the County Intranet, under P&C's Records Services.

We recommend the Department's Records Coordinator alert staff of the requirement and begin submitting the "On-Site Destruction Confirmation Form" to P&C's Records Services. The Department's Records Coordinator concurs with the auditor's findings and will implement the proposed corrective action by March 31, 2011.

b. Purchasing & Contracting

Procedure I

We selected the "P-Card Training" and "Contracts – Non Construction" records for testing and noted no exception.

Procedure II

We selected the “Correspondence (Signed)” records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We noted no exception to the procedure.

c. Registrar of Voters**Procedure I**

We selected the following records for testing:

1. Election District Files – no exceptions
2. Poll Worker Application – no exceptions
3. Correspondence

The “Correspondence” records were not maintained in compliance with the Departmental Retention Schedule. The retention schedule for “Correspondence” records, 3=P3, calls for on-site destruction of the documents after three (3) years; however, the Department maintains documents going back to 2004, beyond the established three (3) years. The Department’s Records Coordinator indicated that the present three (3) year schedule does not meet the Department’s needs because correspondence documents maintained in the file are generally related to specific elections and often need to be retained until the next election takes place, which may be longer than three years. The Department intends to seek advice from P&C’s Records Services to devise a retention schedule that will address their needs.

We recommend the Department’s Records Coordinator work with P&C’s Records Services to update the Department Retention Schedule to current practice. The Department’s Records Coordinator concurs with the auditor’s findings and estimates the proposed corrective action will be completed by March 31, 2011.

Procedure II

This procedure is not applicable. The Department’s records are maintained in accordance with the Departmental Retention Schedule only.

Procedure III

This procedure is not applicable. The Department did not have an approved records management plan.

Procedure IV

The Department has drafted a records management plan and is presently undergoing management review. The records management plan will be published once approved. The draft fully addresses major critical areas, such as: (1) the tracking and handling of records management information; (2) the storage and retrieval of active and inactive paper records; (3) the tracking and review of electronic records; (4) the authorization and destruction of records; and (5) the communication of records management information throughout the Department. The plan is further supplemented with detailed instructions/procedures for archiving documents, implementing AUD 100-1 requirements and describing the methodology for internal document destruction. The Department estimates that the plan will be submitted to P&C's Records Services by the end of March 2011.

We recommend the Department publish the records management plan once approved and continue its records management activities in accordance with the prospective plan.

Procedure V

We noted no exception to the procedure.

4. Health and Human Services Agency (HHSA)

a. Aging & Independent Services

Procedure I

We selected the "Ombudsman Program Facility Files" and "Retired Senior Volunteer Program Grant Data" records for testing and noted no exception.

Procedure II

We selected the "Correspondence (Signed)" records for testing and noted no exception.

Procedure III

The HHSA Records Management Plan is the generic plan for each of the Divisions/Regions in the Agency, including Aging & Independent Services. Accordingly, we conducted the agreed upon procedures using the HHSA Records Management Plan as criteria. We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We noted no exception to the procedure.

b. Human Resources

Procedure I

We selected the “Background Checks” and “Internal Security Investigations” records for testing and noted no exception.

Procedure II

We selected the “Correspondence (Signed)” records for testing and noted no exception.

Procedure III

The HHSA Records Management Plan is the generic plan for each of the Divisions/Regions in the Agency, including Human Resources. Accordingly, we conducted the agreed upon procedures using the HHSA Records Management Plan as criteria. We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We noted no exception to the procedure.

c. Public Health

Procedure I

We selected the “Death Certifications” and “Declaration of Paternity Forms” records for testing and noted no exception.

Procedure II

We selected the “P-Card Holder Retained Documentation” records for testing and noted no exception.

Procedure III

The HHSA Records Management Plan is the generic plan for each of the Divisions/Regions in the Agency, including Public Health. Accordingly, we conducted the agreed upon procedures using the HHSA Records Management Plan as criteria. We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We noted no exception to the procedure.

5. Land Use & Environmental Group (LUEG)

a. Planning and Land Use

Procedure I

We selected the following records for testing:

1. Mills Act Permit (MAA) – no exceptions
2. Mobile Home Parks (Unexpired)

The “Mobile Home Parks (Unexpired)” permits were not maintained in compliance with the Departmental Retention Schedule. The retention schedule requires that the Mobile Home Park Permits be kept on-site, in paper form, for two (2) years and converted to microfilm for permanent storage in the vault at P&C’s Records Services. We found that the permits are being retained in paper form beyond the initial two (2) years in cabinets located in the Department’s area. The Records Coordinator indicated that the Department is presently waiting for funding to obtain scanning and microfilming services.

According to the Department’s Records Coordinator, the conversion from paper to electronic/digital documents is a dual release of microfilm and CD. The original microfilm is stored in the vaults at P&C’s Record Services, the microfiche is stored on-site and made available to the public, and the digital documents are uploaded to Documentum. Normally, the task would be handled internally; however, it is the Department’s position that because of the significant amount records awaiting conversion, it would need to obtain an outside firm to complete the effort, which is presently beyond the capability of the Department’s staff. According to the Records Coordinator, the funds required to obtain an outside firm are not part of the Department’s current budget. Therefore, the conversion process has been halted pending funding resolution.

We recommend the Department seek funding to address the problem. The Department should also keep P&C’s Records Services apprised on matters related to this issue. The Department’s Records Coordinator could not provide an estimated date for correction.

Procedure II

We selected the “Correspondence (Signed)” records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

We noted no exception to the procedure.

b. Public Works

Procedure I

We selected the “Public Information Officer (PIO) Resources” and “Accident Reports - Vehicle” records for testing and noted no exception.

Procedure II

We selected the “Correspondence (Signed)” records for testing and noted no exception.

Procedure III

We noted no exception to the procedure.

Procedure IV

This procedure is not applicable.

Procedure V

The Department is following the destruction process as outlined on the guidance for “How to Submit Application for Destruction of Records (AUD100-1) and Carryout Destruction Process” with the exception of Paragraph No. 12 notifying P&C’s Records Services when an on-site destruction takes place. The Department should be forwarding a proof of destruction of official records for those records stored at a County facility. The “On-Site Destruction Confirmation Form” is available on the County Intranet, under P&C’s Records Services.

We recommend the Department’s Records Coordinator alert staff of the requirement and begin submitting the “On-Site Destruction Confirmation Form” to P&C’s Records Services. The Department’s Records Coordinator concurs with the auditor’s findings and will implement the proposed corrective action by March 31, 2011.